## REMARKS

The indication that claims 5 and 19 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form, is acknowledged. By the present amendment, claims 5 and 19 have been written in independent form incorporating the features of parent claims 1 therein, while correcting the informalities noted by the Examiner with respect to claims 1 and 5, as described below. Thus, claims 5 and 19 should now be in condition for allowance.

Additionally, by the present amendment, claim 1 has been amended in a manner which is considered to overcome the informalities noted by the Examiner, as will be discussed below, while incorporating the features of dependent claims 2 and 4 therein, such that claim 1, as amended, represents claim 4 written in independent form. Claims 2 and 4 have been canceled by the present amendment, with dependent claim 3 being amended to depend from claim 1, rather than canceled claim 2. Also, an informality in the specification has been corrected. With regard to the objection to claims 1 and 5, claim 1 has been amended to delete "a" in the phrase "a paper money", while being amended to recite the feature of a light beam receiver for receiving at least one of a reflected light beam of the emitted light beam reflected by the paper money, and a passed light beam of the emitted light beam passing through the paper money. Accordingly, the objection to improper grammar in claim 1 should be overcome. Furthermore, in rewriting claim 5 in independent form, "surfaces is" has been changed to "surfaces are", thereby overcome this objection to the claim. Accordingly, applicants submit that the objections to claims 1 and 5 should now be overcome.

As to the rejection of claims 1 and 6 – 18 under 35 USC 102(b) as being anticipated by Patent 5,955,741 by Kayani and the rejection of claims 2 – 4 under 35

USC 103(a) as being unpatentable over Kayani further in view of Patent No. 5,761,089 by McInerny, such rejections are traversed insofar as they are applicable to the present claims and reconsideration and withdrawal of the rejections are respectfully requested.

At the outset, it is noted that since claim 1 has been amended to incorporate the features of claims 2 and 4 therein, and the Examiner has recognized that claims 2 and 4 recite features not disclosed by Kayani, applicants submit that the rejection of the claims under 35 USC 102(b) as being anticipated by Kayani has been obviated, such that a discussion of Kayani under 35 USC 102 is considered unnecessary.

As to the requirements to support a rejection under 35 USC 103, reference is made to the decision of In re Fine, 5 USPQ 2d 1596 (Fed. Cir. 1988), wherein the court pointed out that the PTO has the burden under '103 to establish a prima facie case of obviousness and can satisfy this burden only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references. As noted by the court, whether a particular combination might be "obvious to try" is not a legitimate test of patentability and obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. As further noted by the court, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention.

In applying Kayani and McInerny to the features of claim 2, which features are not incorporated into claim 1, the Examiner recognizes that Kayani fails to disclose a

money deforming device. Accordingly the Examiner cites McInerny as teaching a money deforming device comprising roller 63a having a tapered surface and supplemental roller 42a for applying a tension to paper money in a first direction parallel to a predetermined transfer direction and perpendicular to a paper money thickness direction. Irrespective of the Examiner's contentions, applicants submit that McInerny fails to disclose or teach that the paper money deforming device, which feature was previously recited in claim 4, and is now incorporated into claim 1 as follows:

includes at least one roller rotatable on an axis parallel to the second direction and a rotatable supplemental roller, the roller including a tapered surface <u>adapted to contact the money paper in the second direction</u> and <u>to be pressed against a peripheral surface of the supplemental roller</u>, and <u>the tapered surface includes elastomer</u>. (emphasis added)

Applicants note that the aforementioned feature of claim 4, which is now incorporated into claim 1, is illustrated in Figs. 17 and 18 of the drawings of this application, wherein, as illustrated, and as described in the first full paragraph at page 25, "the tapered rollers 103 fixed to the shaft 101 have respective elastomer outer peripheral surfaces tapered toward a transfer central line Q3 ... The driven rollers 111 fixed to the shaft 112 is prevented by a transfer guide 55b for moving axially, and are pressed against the tapered rollers 103, by the springs 112. (emphasis added). Further, as described at page 26, lines 19 – 26, of the specification, "When the paper money clamped between the tapered roller 103 and the driven roller 111 is transferred by rotationally driving the tapered roller 103, the tapered roller 103 is deformed axially in a direction from a small diameter toward a large diameter in taper as shown by dot-dash line in Fig. 18, so that a force F is generated to urge the paper money in the direction, as shown in Fig. 19." Thus, it is apparent that the previously recited features of claim 4, which are now incorporated

into claim 1, are clearly supported by the drawings and specification of this application.

Turning to McInerny and the Examiner's contention that roller 63a has a tapered surface and there is also provided a supplemental roller 42a, applicants note that there is no disclosure or teaching in McInerny that the tapered surface of roller 63a "includes elastomer" as previously recited in claim 4, and as now recited in claim 1. Additionally, it is apparent from the relationships shown in Figs. 2A, 3A and 3B of McInerny, that a tapered surface of the roller 63a is not pressed against a peripheral surface of the supplemental roller 42a, as recited in claim 1. Thus, applicants submit that neither Kayani nor McInerny, taken alone or in any combination thereof, disclose or teach the recited features of claim 1, as amended, which were previously recited in claim 4. Accordingly, applicants submit that claim 1, as amended, patentably distinguishes over this proposed combination of references in the sense of 35 USC 103, and that claim 1 and its dependent claims should now be in condition for allowance.

As recognized by the Examiner, claims 5 and 19 patentably distinguish over the cited art, and by the present amendment, such claims have been written in independent form.

In view of the amendment of claim 1 to incorporate the features of claims 2 and 4 therein, with the remaining claims in this application depending directly or indirectly from claim 1, as amended, applicants submit that all claims present in this application patentably distinguish over the cited art and should now be in condition for allowance. Accordingly, issuance of an action of favorable nature is courteously solicited.

To the extent necessary, applicants petition for an extension of time under 37 CFR 1.136. Please charge any shortage in the fees due in connection with the filing of this paper, including extension of time fees, to the deposit account of Antonelli, Terry, Stout & Kraus, LLP, Deposit Account No. 01-2135 (Case: 500.40463X00), and please credit any excess fees to such deposit account.

Respectfully submitted,

ANTONELLI, TERRY, STOUT & KRAUS, LLP

Melvin Kraus

Registration No. 22,466

MK/jla (703) 312-6600